

## Investment strategy

To provide a solution for investors seeking a diversified investment to grow their capital over the medium and long term (more than five years), while accepting medium volatility.

The portfolio will be weighted towards investment securities that we believe are highly rated for the incorporation of Environmental, Social and Governance (ESG) factors into their investment decision-making.

## Investment objectives

- > You want to protect your capital, but also see some growth in the medium term.
- > You are not comfortable with significant fluctuations in your portfolio, but you understand that medium risk is needed to achieve more growth over the long term.
- > You would accept a potential loss in one year out of every three.

## Projected performance

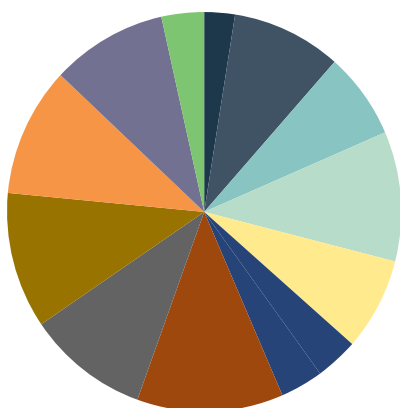
The after-tax, after management fee expected annual return distribution over the long term (below) is based on index data collected since 1993. Actual performance may be different.

A 28% tax rate is assumed, and the effect of the tax rules on the various asset types is calculated. Management fees are assumed at the index fund level. The Select Service and the Adviser Service Fees are not included.

| Responsible Investment Balanced      |              |
|--------------------------------------|--------------|
| Mean Annual Return                   | 5.5%         |
| Probability of loss in any one year  | 25.0%        |
| Years with negative return expected* | 1 in 3 years |
| Expected 10 year return              | 67%          |
| Expected 20 year return              | 179%         |

\*The balanced asset allocation expects to have a negative return every 3 years.

## Selected Responsible Investment Balanced Portfolio Investment mix as at October 2024 to current



| Name of individual asset                           | Proportion of portfolio % | Currency of individual asset | Asset type                   |
|--|---------------------------|------------------------------|------------------------------|
| Cash Account                                       | 2.5                       | NZ                           | Cash and cash equivalents    |
| Harbour NZ Core Fixed Interest Fund                | 9.0                       | NZ                           | NZ fixed interest            |
| Nikko AM NZ Bond Fund                              | 7.0                       | NZ                           | NZ fixed interest            |
| Devon Global Impact Bond Fund <sup>^</sup>         | 10.5                      | NZ                           | International fixed interest |
| Nikko AM Global Bond Fund                          | 7.5                       | NZ                           | International fixed interest |
| Smart NZ Property ETF                              | 3.5                       | NZ                           | Listed property              |
| Salt Sustainable Global Listed Infrastructure Fund | 3.5                       | NZ                           | Other                        |
| Devon Sustainability Fund <sup>^</sup>             | 12.0                      | NZ                           | Australasian equities        |
| TAHITO Te Tai o Rehua Fund <sup>^</sup>            | 10.0                      | NZ                           | Australasian equities        |
| Schroder Sustainable Global Core PIE Fund (hedged) | 11.0                      | NZ                           | International equities       |
| Russell Investments Sustainable Global Shares Fund | 10.5                      | AU                           | International equities       |
| Devon Global Sustainability Fund <sup>^</sup>      | 9.5                       | NZ                           | International equities       |
| Smart Emerging Market ESG ETF                      | 3.5                       | NZ                           | International equities       |

<sup>^</sup> Clarity Funds Management Limited, Devon Funds Management Limited, JMI Wealth Limited, Select Wealth Management Limited and TAHITO Limited are subsidiaries of the Investment Services Group Limited.

## What are the risks of investing?

Risk indicator for the Selected Responsible Investment Balanced Portfolio:

Potential lower returns

Potential higher returns



Lower risk

Higher risk

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the security's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

See the Investor Information booklet for more information about the risks associated with investing in this portfolio.

To help you clarify your own attitude to risk, talk to your financial adviser.

Disclaimer: Market index returns have been used to determine the Risk Indicator for the portfolios, as these are not utilised investment vehicles and consequently do not have a unit price that can be used for volatility calculations. The portfolios are comprised of a variety of underlying assets whose actual performance can be expected to vary from the benchmark index used for each asset class. Consequently, the Risk Indicator may therefore provide a less reliable indicator of the potential future volatility of these portfolios.

### Minimum investment

- > Initial investment: \$10,000
- > Additional investment: \$2,000
- > Regular investment: \$500 p.m. or \$250 p.m. with a minimum \$10,000 investment.

### Portfolio mix

- > The investment options and the weightings are monitored by JMI Wealth ^ and can change at any time. For the current Portfolio, refer to [selectwealth.co.nz/selected-and-gbp-portfolios](http://selectwealth.co.nz/selected-and-gbp-portfolios)
- > See a description of the individual securities at [selectwealth.co.nz/custom-built-portfolios](http://selectwealth.co.nz/custom-built-portfolios)
- > Performance published monthly on the Select website at [selectwealth.co.nz/services/investment-performance](http://selectwealth.co.nz/services/investment-performance)

### Fees (charged as a % of investment)

- > Select Fee:

| Value                      | Fee % per annum |
|----------------------------|-----------------|
| \$0 to \$249,999           | 0.55%           |
| \$250,000 to \$499,999     | 0.45%           |
| \$500,000 to \$999,999     | 0.30%           |
| \$1,000,000 to \$2,999,999 | 0.25%           |
| \$3,000,000 and over       | 0.20%           |

- > Adviser Service Fee: up to 1% p.a.
- > Estimated Fund Manager Fees\*: average 0.63% p.a.

For more information, please refer to the fees and costs detailed in the Investor Information booklet.

\*Exclusive of performance fees (if any).

### How to invest

Talk to your financial adviser to discuss the suitability of Select, and to obtain the Investor Information booklet and relevant investment statements. If you don't currently have a financial adviser, call us on 0800 653 000 and we'll put you in touch with someone who can help.

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